

STATE OF HAWAII
DEPARTMENT OF LAND AND NATURAL RESOURCES
Land Division
Honolulu, Hawaii 96813

February 14, 2014

Board of Land and Natural Resources
State of Hawaii
Honolulu, Hawaii

PSF No.: 12OD-114

OAHU

Issuance of Direct Lease to Ka'ala Farm, Inc. and Ho'omau Ke Ola for Educational, Cultural, Agricultural, and Workforce Development Program and Activities Purposes, Waianae, Oahu, Tax Map Key: (1) 8-5-006:004.

APPLICANT:

Ka'ala Farm, Inc., a domestic non-profit corporation and 501(C)(3) organization.

LEGAL REFERENCE:

Section 171-43.1, Hawaii Revised Statutes, as amended.

LOCATION:

Portion of Government lands situated at Waianae, Oahu, identified by Tax Map Key: (1) 8-5-006:004, as shown on the attached map labeled **Exhibit A**.

AREA:

1,122.426 acres, more or less.

ZONING:

State Land Use District: Agriculture
City & County of Honolulu LUO: AG-2

TRUST LAND STATUS:

Section 5(b) lands of the Hawaii Admission Act

DHHL 30% entitlement lands pursuant to the Hawaii State Constitution: No

CURRENT USE STATUS:

Encumbered by Right-of-Entry permit 3925 to Ka'ala Farm, Inc. for maintenance purposes.

CHARACTER OF USE:

Educational, cultural, agricultural, and workforce development programs and activities purposes.

LEASE TERM:

Thirty (30) years

COMMENCEMENT DATE:

The first day of the month to be determined by the Chairperson.

ANNUAL RENT:

\$480 per year, pursuant to the Board policy on minimum rent currently at \$480 per year.

METHOD OF PAYMENT:

Semi-annual payments, in advance.

RENTAL REOPENINGS:

Every 10th year during the term of the lease, subject to the Board policy on minimum rent applicable at the time of reopening.

PERFORMANCE BOND:

Twice the annual rental amount.

CHAPTER 343 - ENVIRONMENTAL ASSESSMENT:

The Final Environmental Assessment for the subject project was published in the OEQC's Environmental Notice on October 23, 2013 with a finding of no significant impact (FONSI).

DCCA VERIFICATION:

Place of business registration confirmed:	YES	<u> x </u>	NO	<u> </u>
Registered business name confirmed:	YES	<u> x </u>	NO	<u> </u>
Good standing confirmed:	YES	<u> x </u>	NO	<u> </u>

APPLICANT REQUIREMENTS:

None

REMARKS:

The subject parcel was formerly under Governor’s Executive Order No. 3481 set aside to the Department of Agriculture (DOA) for Waianae Agricultural Park purposes. On June 28, 2011, the Board of Agriculture approved the cancellation of the lease on the subject parcel due to noncompliance by the lessee. Subsequently, DOA requested withdrawing the parcel from EO 3481 and the request was approved by the Board on January 13, 2012 (item D-18). Eventually, EO 4406 was issued to withdraw the parcel from EO 3481.

Ka’ala Farm, Inc. (“KFI”) owns an adjacent parcel and also leases adjacent area from the Department of Hawaiian Home Lands to operate its educational and cultural program. Upon DOA’s termination of the lease on the subject parcel, KFI requested the Board issue a management right-of-entry for maintenance purposes, in anticipation for submitting a request for long term lease. Eventually, the Board approved the issuance of a management right-of-entry to KFI on January 13, 2012, item D-18.

KFI, partnering with Ho’omau Ke Ola (“HKO”)¹ plans to set up its educational, cultural, agricultural and workforce development programs on the property. On September 14, 2012, under agenda item D-16, the Board approved-in-principle the issuance of a direct lease for the above described purposes, subject to compliance of Chapter 343, HRS. With the publication of the final environmental assessment on October 23, 2013, the compliance process of Chapter 343, HRS is completed.

A copy of the lease application and qualification questionnaire completed by KFI and HKO are attached as **Exhibit B1** and **B2** respectively, while letters from the Internal Revenue Service confirming the nonprofit status for both parties are kept in file.

Pursuant to Sec.171-26, prior to the disposition of any public lands, the Board shall “...shall lay out and establish over and across such lands a reasonable number of rights-of-way from established highways to the public beaches, game management areas, public hunting areas, and public forests and forest reserves in order that the right of the people to utilize the public beaches, game management areas, public hunting areas, and public forests and forest reserves shall be protected.” According to the Final Environmental Assessment for the project, the use “is meant to help ensure sustainable use of the valley and Forest Reserve and is in no way meant to restrict public access for cultural and conservation purposes.” To address the issue, staff recommends the Board prohibit any restriction by the lessee on public access to the forest reserves.

¹ KFI was named as the applicant in the September 14, 2012 Board action. During the due diligence period, KFI and HKO decided to apply for the direct lease jointly. Staff has no objection to this change.

Pursuant to the discussion with the Division of Forestry and Wildlife, staff recommends the Board require the applicant to erect cattle-proof fencing.

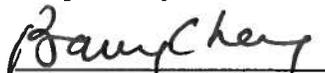
Applicant has not had a lease, permit, easement or other disposition of State lands terminated within the last five years due to non-compliance with such terms and conditions.

Staff recommends the Board issue a direct lease to KFI and HKO according to the terms and conditions described above.

RECOMMENDATION: That the Board authorize the issuance of a direct lease to Ka’ala Farm, Inc. and Ho’omau Ke Ola covering the subject area under the terms and conditions cited above, which are by this reference incorporated herein and further subject to the following:

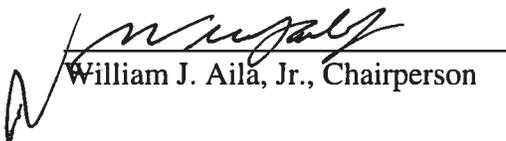
- A. Find the area to be an economic unit in terms of the intended use.
- B. Find that the subject area is not suitable for hunting, nor will it become so during the term of the lease.
- C. The standard terms and conditions of the most current (non-profit) lease document form, as may be amended from time to time;
- D. Lessee shall not restrict any public access on the premises to the adjacent forest reserves;
- E. Lessee shall install erect cattle-proof fencing for any portion of the premises utilized for grazing and/or pasturing of animals;
- F. Lessee shall keep its cattle, horses, and other grazing animals out of any forest reserve adjacent to the premises;
- G. Review and approval by the Department of the Attorney General; and
- H. Such other terms and conditions as prescribed by the Chairperson to best serve the interests of the State.

Respectfully Submitted,

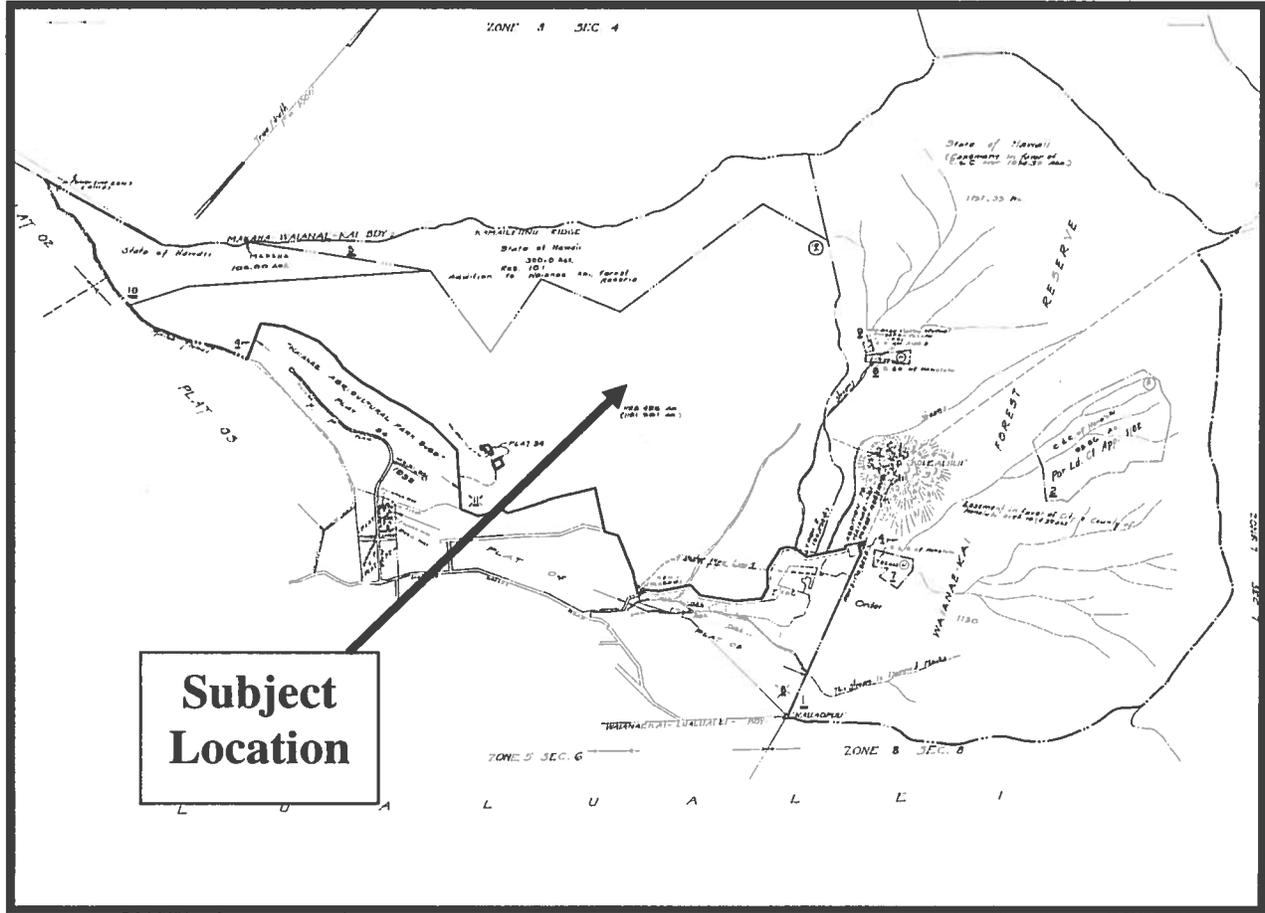


Barry Cheung
District Land Agent

APPROVED FOR SUBMITTAL:



William J. Aila, Jr., Chairperson



TMK (1) 8-5-006:004

EXHIBIT A

APPLICATION AND QUALIFICATION QUESTIONNAIRE
(Non-Profit)

PART I: General Information

1. Applicant's legal name: Ka'ala Farm, Inc.
2. Applicant's full mailing address: Wai'anae, Hawai'i 96892
3. Name of contact person: Eric Enos
Contact person Phone No.: _____
4. Applicant is interested in the following parcel:
Tax Map Key No.: 8-5-006:011 Location: Wai'anae, O'ahu, Hawai'i
If applicant is current lessee: General Lease No.: N/A
5. When was applicant incorporated? 1983
6. Attach the following:
- A. Articles of incorporation
 - B. Bylaws
 - C. List of the non-profit agency's Board of Directors
 - D. IRS 501 (c)(3) or (c)(1) status determination
 - E. Tax clearances from State of Hawaii and respective county Real Property Tax Office
To be submitted
 - F. Audited financial statement for the last three years. If not audited, explain why.
To be submitted. The KFI Audited Financial Statement for 2008 is attached. The financial statements for 2009 and 2010 are in the process of being audited, and will be submitted as soon as they are completed.
 - G. Any program material which describes eligibility requirements or other requirements to receive services.
KFI does not have any specific requirements for participation in its programs.

APPLICATION AND QUALIFICATION QUESTIONNAIRE
(Non-Profit)

PART II: Qualification

7. Is Applicant registered to do business in Hawai'i: Yes/ No
8. Has Applicant received tax exempt status from the Internal Revenue Service? Yes/ No
9. Is Applicant licensed or accredited in accordance with federal, State, or county statutes, rules, ordinances, to conduct the proposed activities? Yes No

List all such licenses and accreditation required: The proposed activities
Include environmental and cultural educational programs and restoration of natural and cultural resources of the site, and these activities do not require licenses.

PART II: Qualification (continued)

10. Is Applicant in default or otherwise not in good standing with any State department (e.g. POS agency, DCCA, DLNR, etc.)? Yes No

If yes, explain: _____

11. Has Applicant had a State of Hawai'i permit, license, easement, or sale in fee cancelled within the last five years? If yes, list: Yes No

<u>Doc. No.</u>	<u>Type of Agreement</u>	<u>Term of Agreement</u>
_____	_____	_____
_____	_____	_____
_____	_____	_____

12. Does Applicant have any policies which discriminate against anyone on the basis of race, creed, color, national origin, sex, or physical handicap? Yes No

APPLICATION AND QUALIFICATION QUESTIONNAIRE
(Non-Profit)

13. Has Applicant received funding from a federal, State, or county government agency, the Aloha United Way, and/or a major private foundation within the last three years? Please list all such contacts below: (Yes/ No)

<u>Agency</u>	<u>Contract Term</u>	<u>Contract Amount</u>
<u>NOAA Bay Watershed Education and Training Program (Federal)</u>	<u>2008-2009</u>	<u>\$ 176,000</u>
<u>Native Hawaiian Education Act (Federal)</u>	<u>2008-2011</u>	<u>\$ 692,247</u>
<u>Hawai'i Tourism Authority (State)</u>	<u>2009-2010</u>	<u>\$ 28,000</u>
	<u>2010-2011</u>	<u>\$ 19,500</u>
	<u>2011-2012</u>	<u>\$ 10,000</u>
<u>Dept. of Business, Economic Development and Tourism (State)</u>	<u>2010-2011</u>	<u>\$ 23,000</u>
<u>Alcohol, Drug, and Abuse Division (State)</u>	<u>2006-2009</u>	<u>\$ 100,000</u>
<u>Hawaii State Tobacco Fund (State)</u>	<u>2009-2012</u>	<u>\$ 225,000</u>
<u>Dept. of Hawaiian Home Lands (State)</u>	<u>2009-2012</u>	<u>\$ 200,000</u>
<u>Kamehameha Schools (private)</u>	<u>2008-2009</u>	<u>\$ 186,000</u>
	<u>2009-2010</u>	<u>\$ 167,560</u>
	<u>2010-2011</u>	<u>\$ 158,055</u>
<u>Hauoli Mau Loa Foundation (private)</u>	<u>2009-2012</u>	<u>\$ 100,000 (per year)</u>

14. If Applicant has not received funding from a federal, State or county government agency, the aloha United Way, and/or a major private foundation during the past three years, describe Applicant's qualifications to effectively perform the propose services, including but not limited to, grants or subsidies received from non-major, private funders and/or staff or Board members who possess significant experience in Applicant's service field.

N/A

APPLICATION AND QUALIFICATION QUESTIONNAIRE
(Non-Profit)

PART III: Program Activities and Persons Served

15. What activities will be conducted on the premises to be leased?

- (1) Environmental Interactive Learning
- (2) Restoration of Historic Trails System
- (3) Aquaculture and Aquaponics
- (4) Community Gardens and Organic Farming
- (5) Animal Husbandry
- (6) Community Kitchen and Food Processing
- (7) Therapeutic 'Āina-based agricultural and horsemanship programs
- (8) Therapeutic Art Center
- (9) Soil and Water Conservation Programs
- (10) Work-Force Development

These activities are described in more detail in KFI's "Request for State Lands (Direct Negotiation) – Application Form."

16. What are the specific objectives of these activities?

The specific objectives of the planned activities at Wai'anae Valley Ranch are:

- (1) To conserve and restore the natural and cultural resources of the Ranch;
- (2) To provide opportunities for Wai'anae families and young people to learn about the history of these lands, and to develop understanding and skills in the areas of natural and cultural resources management.
- (3) To heal people who have substance abuse problems through hands-on agricultural and land restoration activities.

17. Describe the community need and the public benefit derived from these activities.

Before the lands in Upper Wai'anae became known as Wai'anae Valley Ranch, they were part of a complex of fields, commoner houses and associated burials, and religious places. While more modern land uses have impacted these sites, much of the historical landscape still survives in what has been described as "one of the largest, intact cultural landscapes left on O'ahu today" (R. Cordy, archaeologist).

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Over the past 15 years, a portion of Upper Wai'anae has been increasingly impacted by cattle, which were allowed to roam free and damage the flora and water resources of the area. Poor land management has allowed the existing structures and infrastructure to deteriorate to the point where they are inefficient, unusable, or unsafe.

The Wai'anae *moku* has one of the largest percentages of native Hawaiian residents in the world. The community continues to have strong ties to land and water resources and would benefit from the cultural, educational, healing, and economic opportunities that the Ranch provides.

KFI, together with their partner Ho'omau Ke Ola, proposes to assume responsibility for the long-term management of the natural and cultural resources present on the Ranch lands.

- 18. Describe the targeted population for these activities by: (1) age group, (2) gender, (3) ethnic background, (4) income level, (5) geographic location of residence, (6) special needs/disability, and (7) other applicable characteristics.**

The proposed environmental and cultural activities will be conducted by staff and clients of Ka'ala Farm, Inc. (KFI) and its partner, Ho'omau Ke Ola (HKO). Other community groups and school groups will be invited to visit the Ranch from time to time to participate in the restoration and educational programs.

The "targeted population" for many of these activities will be the 50,000+ children and families that live within the Wai'anae *moku*. Many of these community members are Native Hawaiians. Income and employment in the Wai'anae community continue to lag behind O'ahu averages, and there are continued problems of substance abuse, antisocial behavior, homelessness and poor achievement of school children. The need for healthy, hands-on, culturally and environmentally focused programs for the children and families of Wai'anae is greater than ever.

Ho'omau Ke Ola is a residential and outpatient substance abuse treatment program that incorporates native Hawaiian culture into its curriculum. A large component of the program is reconnecting clients with the land through once a week work days at Ka'ala Farm. KFI and HKO will continue this partnership as they restore the lands of Wai'anae Valley Ranch.

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- 19. Describe all eligibility requirements of clients to participate in the activities, e.g. age, income level, ethnic background, disability, etc.**

Primary participants will be either KFI staff or Ho'omau Ke Ola staff and clients. For other program participants from the Wai'anae community, and from other schools and districts of O'ahu, there will be no particular restrictions or eligibility requirements. However, priority for participation in Ranch activities will be given to organizations and individuals that value hands-on environmental and cultural preservation and restoration.

- 20. Do you require membership to participate in these activities? If yes, list the requirements of becoming and remaining a member.** Yes/ No

"Membership" in a particular organization will not be a requirement for participation in activities at the Ranch.

- 21. How many unduplicated persons will engage in the activities annually?**

KFI and HKO anticipate that several thousand "unduplicated persons" will engage in activities on the Ranch annually.

- 22. Is State funding made available for the activities to be conducted on the leased premises?**

KFI does not currently have State funding for activities to be conducted on Wai'anae Valley Ranch lands, although funding is being sought from the Office of Hawaiian Affairs (OHA) to prepare an Environmental Assessment of planned programs and activities for the Ranch property.

- 23. List all activities to be conducted on the leased premises which require payment of excise taxes, e.g., subleasing, sale of products or services. Include an estimate of annual gross revenue from each activity.**

None of the proposed activities will require payment of excise taxes.

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(Non-Profit)

Development of the Land

- 24. Describe the proposed site development plan for the property, indicating the location and size of buildings, parking areas, landscaped areas, and related uses. Attach a sketch plan, if available.**

Some initial site work at the Ranch is currently being done under the terms of the Right of Entry that was granted to KFI in January 2012. This initial site work is intended to ensure the health and safety of staff and visitors, and to support the long-range planning activities described above. Therefore, physical improvements are limited to general cleanup, repair, and/or replacement of existing facilities and infrastructure in the vicinity of the existing ranch house near the main access gate. One additional mobile structure within the same area is proposed to provide security.

Once KFI has received a General Lease from DLNR, KFI and HKO will proceed with the development of various programs and activities – generally described in section 15 above, and described in more detail in the “Request for State Lands (Direct Negotiation) – Application Form.” KFI has not yet developed a detailed SITE PLAN for future facilities that may be developed after a General Lease has been received – KFI expects to receive in the 3rd Quarter of 2012 a grant from the Hawai'i Community Foundation in the amount of \$20,000 for the development of a conceptual master plan for the Ranch. Generally, KFI and HKO do NOT plan on significant “development” of buildings and facilities for the Ranch. The focus of KFI and HKO future activities on the Ranch will be agricultural activities and restoration of cultural sites, including restoration of some of the traditional dryland agricultural terraces. However, the conceptual master plan will include site plans for a small, multi-purpose building, a hydroponics program building, and unpaved parking areas. These basic facilities will be located in the vicinity of the existing ranch house. A sketch of these planned facilities has been included as part of the General Lease application. A small security office will be constructed under the current Right of Entry. The ranch house is very dilapidated and will be demolished.

- 25. What improvements to the land do you intend to make and at what cost?**

Land improvements will include:

- o Repair and maintenance of Ranch roads
- o Repair and maintenance of Ranch fences
- o Creation, planting and maintenance of gardens and landscaping
- o Construction of the afore-mentioned multi-purpose building, aquaponics program building and unpaved parking areas
- o Restoration of some of the dryland field terraces
- o Control of non-native and invasive plants and animals
- o Planting and maintenance of native dryland forest plants
- o General land management and fire prevention measures

APPLICATION AND QUALIFICATION QUESTIONNAIRE
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Costs will be relatively modest, as much of the labor for these improvements will be provided at no cost by HKO clients – some 30 people at any given time, working on HKO projects 6 days per week – and community volunteers. The primary costs will be:

- o General Liability Insurance: \$ 1,000 per annum
- o Equipment and Supplies: \$ 20,000 per annum
- o Multi-Purpose Building \$240,000 (one time cost)
(say 1,200 sf @ \$200/sf)
- o Aquaponics Program Building \$ 20,000 (one time cost)
(HKO expects to receive this building
and training at no cost from the Hawai'i
Adult Mental Health Division (AMHD)
Funds for the foundation and utilities will be needed.

26. How will the improvements be funded?

Funds for General Liability Insurance and for Equipment and Supplies will come from a combination of small grants and modest fees that schools and other organized groups will pay in order to participate in Ranch activities. Capital funds for the multi-purpose building and for the Aquaponics Program Building foundation and utilities will be raised from one or more private foundations and/or governmental grant agencies like OHA. KFI and HKO currently receive funding from several City, State, and Federal sources that could be used toward materials and labor. These funding sources include:

- o **Kamehameha Schools Grants to KFI**
Annual Award(s): approximately \$190,000
- o **Hauoli Mau Loa Foundation Grants to KFI**
Annual Award: approximately \$100,000
- o **U.S. Department of Housing and Urban Development and the City and County of Honolulu Grant to HKO**
Annual Award:\$187,000
Grant Expiration: 2012
An application for grant renewal to 2015 has been submitted
- o **State Alcohol, Drug, and Abuse Division Grant to HKO**
Annual Award:\$800,000
Grant Expiration: 2013
- o **State Judiciary Grant to HKO**
Annual Award:\$528,000
Grant Expiration: 2015

APPLICATION AND QUALIFICATION QUESTIONNAIRE
(Non-Profit)

- 27. Describe all the environmental, land use and other permitting requirements which must be met to develop the land as proposed.**

These lands are designated "AGRICULTURE" under the State of Hawaii Land Use Classification system, and are zoned AG-2 GENERAL AGRICULTURE under the Land Use Ordinance (LUO) of the City and County of Honolulu. Conservation District Use Permits (CDUP) will therefore not be required.

In order for the Land Board to grant final approval of this General Lease Application, KFI must develop and process an ENVIRONMENTAL ASSESSMENT (EA), in conformance with Hawaii Revised Statutes Chapter 343, Environmental Impact Statements and the guidelines of the Office of Environmental Quality Control (OEQC).

Building permits will be needed for the planned Multi-Purpose Building and for the Aquaculture Programs Building.

- 28. Will you be subleasing any portion of the property? If yes, describe the sublease uses:**

KFI proposes to sub-lease a portion of the Ranch to HKO so that HKO can carry out various agricultural, therapeutic, and workforce development activities, as described in earlier sections of this Questionnaire, and as described in further detail in KFI's General Lease Application.

The terms of any such sub-lease agreement will be in conformance with the requirements of the Land Board and the Department of Land and Natural Resources.

APPLICATION AND QUALIFICATION QUESTIONNAIRE
(Non-Profit)

Write answers in the spaces provided. Attach additional sheets as necessary, clearly indicating the applicable section number.

Part I: General Information

1. Applicant's legal name: Ho'omau Ke Ola
2. Applicant's full mailing address:
Wai'anae, Hawai'i
3. Name of contact person: Patti M. Isaacs
Contact person Phone No.: _____ Fax No.: 696-3661
4. Applicant is interested in the following parcel:
Tax Map Key No.: TMK 8-5-006 Location: Wai'anae Valley
If Applicant is current lessee: General Lease No.: _____
5. When was Applicant incorporated? 1987
6. Attach the following:
 - A. Articles of Incorporation
 - B. Bylaws
 - C. List of the non-profit agency's Board of Directors
 - D. IRS 501(c)(3) or (c)(1) status determination
 - E. Tax clearances from State of Hawaii and respective county Real Property Tax Office.
 - F. Audited financial statements for the last three years. If not audited, explain why.
If Applicant is a new start-up, attach projected capital and operating budgets.
 - G. Any program material which describes eligibility requirements or other requirements to receive services

Part II: Qualification

7. Is Applicant registered to do business in Hawaii: Yes/No
8. Has Applicant received tax exempt status from the Internal Revenue Service? Yes/No
9. Is Applicant licensed or accredited in accordance with federal, State or county statutes, rules, ordinances, to conduct the proposed activities? Yes/No

List all such licenses and accreditations required: HKO is licensed to operate two (2) Special Treatment Facilities for men and one (1) Special Treatment Facility for women. We are accredited by the Alcohol and Drug Division of the Department of Health of the State of Hawai'i.

10. Is Applicant in default or otherwise not in good standing with any State department (e.g. POS agency, DCCA, DLNR, etc.)? Yes/No

EXHIBIT "B2"

If yes, explain:

11. Has Applicant had a State of Hawaii lease, permit, license, easement or sale in fee cancelled within the last five years? If yes, list: Yes/No

<u>Doc. No.</u>	<u>Type of Agreement</u>	<u>Term of Agreement</u>
_____	_____	_____

12. Does Applicant have any policies which discriminate against anyone on the basis of race, creed, color, national origin, sex or physical handicap? Yes/No

If yes, explain:

13. Has Applicant received funding from a federal, State, or county government agency, the Aloha United Way, and/or a major private foundation within the last three years? Please list all such contracts below: Yes/No

<u>Agency</u>	<u>Contract Term</u>	<u>Contract Amount</u>
<u>Alcohol and Drug Abuse Division (ADAD)</u>	<u>Through 6-2015</u>	<u>\$ 800,000</u>
<u>City and County of Honolulu</u>	<u>Through 5-2015</u>	<u>\$ 181,621</u>
<u>Judiciary</u>	<u>Through 6-2015</u>	<u>\$ 85,000</u>

14. If Applicant has not received funding from a federal, State or county government agency, the Aloha United Way and/or a major private foundation during the past three years, describe Applicant's qualifications to effectively perform the proposed services, including but not limited to, grants or subsidies received from non-major, private fundors and/or staff or Board members who possess significant experience in Applicant's service field.
N/A, HKO has 26 years of experience as a substance abuse treatment program.

Part III: Program Activities and Persons to be Served

15. What activities will be conducted on the premises to be leased?
Small scale farming and gardening, aquaponics, animal husbandry, vermiculture, Hawaiian cultural activities, beekeeping, kiawe flour production, restoration of cultural sites, malama `aina, repairing fence lines, removing invasive plant species, replanting Native Hawaiian plants, educational activities, small scale community-based gardens, and maintaining fire breaks.
16. What are the specific objectives of these activities?
Rehabilitating individuals who have lost connection to their cultural practices of caring for the

land by teaching and modeling proper behavior and protocol; improving the economic condition of the Wai'anae coast by providing opportunities to learn 'aina-based trades; restoring and caring for the 'aina by removing harmful invasive species and replanting Native Species; Educating the public about living pono and respecting the history of Native Hawaiian people.

17. Describe the community need for and the public benefit derived from these activities. Prior to Western contact, the Wai'anae valley was one of the most fertile lands of the Leeward Coast feeding approximately 2,000 natives (Cordy,2002). In the Wai'anae ahupua'a, water flowed abundantly from the mountain to the sea. The ahupua'a not only organized the land, it also fostered a healthy way of life. Since everyone had their own kuleana, whether it was taro farming, fishing, lua, raising livestock, weaving, or building homes, the 'ohana was fostered (Pukui, et al., 1972). According to Pukui (1972), the ancient Hawaiians employed many forms of social control to live pono. She said the best form of control was the Hawaiian cultural value of aloha. Through aloha, Native Hawaiians demonstrated kokua (mutual help without expectation of return), laulima (cooperation), lokahi (unity), and kuleana (responsibility). Heavy physical work aided in discharging aggressive tendency, and people were taught to "turn their hands over" and work and not ask for handouts. Fast forward to present day and statistics speaks of what happens when the people are removed from the land: The Wai'anae Coast ranks the 3rd worst in the state in terms of poverty. Wai'anae per capita income is \$13,613 compared to the average state income of \$21,526. Wai'anae has one of the highest rates of individuals receiving government assistance. The Wai'anae community ranks among the highest in the state in the number of homeless individuals (Partners in Care, 2011). The Wai'anae Community ranks highest in the state for having the highest risk for chronic diseases (Department of Health, 2007). The Wai'anae coast also experiences the highest per capita crime rate in the state and is one of the primary re-entry points for offenders coming out of the criminal justice system (Moffat & Perrone, 2005). Wai'anae has the highest pre-release and parole population in the state (Umemoto et al., 2003). The Leeward coast also has the highest statewide rate of both child abuse and arrests for family offenses and the second highest rate for sibling history of anti-social behaviors (Center on the Family, 2001). In terms of ethnicity, the Wai'anae Community has the largest population of Native Hawaiians in the state (Center on the Family, 2001). While this may be considered to be a major strength of our community, statistics on Native Hawaiian health pinpoints many problems areas. Native Hawaiians have the highest prevalence of obesity in the Nation (Shintani, 2001). Native Hawaiians are disproportionately over represented in the criminal justice system (OHA, 2010). Native Hawaiians make up the largest portion of people admitted to prison for drug offenses (OHA, 2010). Ho'omau Ke Ola (HKO) means, "to perpetuate life as it was meant to be." HKO's vision is to restore the Wai'anae valley to what it

was in the past—a healing community where people would malama ‘aina. Where people can learn the values of aloha, ‘ohana, lokahi, kuleana, and pono. Where people can live sustainable lives and not resort to drugs and alcohol. Where people will stop asking for “hand-outs” and turn their hand over and work. Where everyone will be welcomed as long as they practice the values of a healing community. Where the land will return to what it was meant to be.

18. Describe the targeted population for these activities by: 1) age group, 2) gender, 3) ethnic background, 4) income level, 5) geographic location of residence, 6) special needs/disability, and 7) other applicable characteristic(s).
Initially, the targeted population would be those whom HKO works directly with—male and female adults, 18 years and older with alcohol and/or substance abuse problems. Approximately 80% of our clients are of Native Hawaiian ancestry and also 80% have a dual-diagnosis of mental health problems. Ninety-eight percent of our clients enter our program with an income of less than \$5,000.00 a year and 30% of them were homeless upon admission. The majority of our clients come from the Leeward Coast and have been involved in the criminal justice system. However, we find that a program that “trains the trainers” works extremely well in our community and therefore, we hope to train our graduates to become leaders in various work projects (e.g. wood working, Native Hawaiian leimaking, aquaponics, solar voltaic installation, beekeeping, produce market, jams and jelly production, etc.) Therefore, we envision including more of the community when the various projects are initiated.

19. Describe all eligibility requirements of clients to participate in the activities, e.g. age, income level, ethnic background, income level, disability, etc.
All participants must be clean and sober and willing to work hard.

20. Do you require membership to participate in these activities? Yes/No
 If yes, list the requirements of becoming and remaining a member:
No

21. How many unduplicated persons will engage in the activities annually?

<u>Activity</u>	<u>Persons Per Year (First year)</u>
<u>Agriculture—farming and animal husbandry</u>	<u>40</u>
<u>Aquaponics</u>	<u>20</u>
<u>Hawaiian culture activities</u>	<u>60</u>
<u>Kiawe production</u>	<u>8</u>
<u>Beekeeping</u>	<u>6</u>
<u>Vermiculture</u>	<u>6</u>
<u>Olelo documentary</u>	<u>10</u>

22. Is State funding made available for the activities to be conducted on the leased premises? Yes/No

If yes, by which State agency: ADAD

23. List all activities to be conducted on the leased premises which require payment of excise taxes, e.g. subleasing, sale of products or services. Include an estimate of annual gross revenues from each activity.
Sales of produce and flowers and kiawe flour. We have no estimates at this time. Initially, we will be consuming or giving away the produce. Depending on timing, we may not be able to sell anything for the first 3 or 4 years.
24. Describe the proposed site development plan for the property, indicating the location and size of buildings, parking areas, landscaped areas and related uses. Attach sketch of plan if available.
Project # 1 (page 7 on the Final Environmental Assessment: FEA) involves approximately 25 acres of the property. Please refer to page 17 of FEA for sketch of plan. We are proposing to construct two buildings: A small security office (refer to page 9 of FEA) and a multi-purpose building (refer to page 14 of FEA). The security office will be manned 24/7 by HKO employees or volunteers. The multi-purpose building will include offices, classrooms, bathroom, and a certified kitchen. A parking area for approximately 30-40 vehicles will be located at the entrance of the site (refer to page 17). To assist with Native Hawaiian forest restoration, we propose to construct a nursery as a seeding and holding site. Other related uses include organic farming of vegetables, coffee and tea plants, and fruit trees. We also plan to develop a Native Hawaiian garden for cultural activities including lei making, kapa making, musical instruments, wood carving, and dyes and printing. Farming structures include worm composting bin, mulch shed, and small animal enclosures. We also propose to construct a solar power generated aquaponic system.
25. What improvements to the land do you intend to make and at what cost?
We will replace the two existing structures with the two buildings with an approximate cost of \$500,000. We are estimating \$100,00 for bathroom facilities. The cost of a community kitchen is approximately \$250,000. We will remove opala and invasive species. Approximate cost for a container to hold garden equipment and garden tools: \$2,000. We will improve the existing roadway and fences. Approximate cost for gravel and paving tools: \$1,500. We will plant strategic rain gardens to assist with the absorption of rain water and create Native Hawaiian gardens. Approximate cost for plants is \$4,000. We will build greenhouses to provide staging of plants from seedlings to plantings at an approximate cost of \$10,000. We will improve the nutrients of the gardens with mulching and vermiculture. Approximate cost of a worm bin is \$1,500. We will not allow any pesticides or fertilizers that will harm the water table. We will provide our own workforce to conduct these activities. The solar powered aquaponics system has been donated.

- 26. How will the improvements be funded?
Initially, the improvements will be funded by grants and donations. We project to be less reliant on grant funding through the development of the aina-based microenterprises.
- 27. Describe all environmental, land use and other permitting requirements which must be met to develop the land as proposed.
We will obtain the proper building permits in the replacement of the existing structures.
- 28. Will you be subleasing any portion of the property? If yes, describe the sublease uses:
No.

Part V: Notarized Certification

I/We hereby certify that the statements and information contained in this Application and Questionnaire, including all attachments, are true and accurate to the best of my/our knowledge and understand that if any statements are shown to be false or misrepresented, I/we may be disqualified from receiving a lease or my/our lease may be canceled.

Ho'omau Ke Ola
Applicant Name _____ Applicant Name _____
Patti M. Isaacs
By: Patti M. Isaacs By: _____
Its: Executive Director Its: _____
Date: 1-6-14

personally appeared Patti M. Isaacs, identified to me to be the executive director of Ho'omau Ke Ola, and acknowledged that she executed the same as her free act and deed.

Subscribed and sworn to before me this 6th day of January, 2014.

Jayne F. Peterson
Notary Public
City and County of: Honolulu
State of: Hawaii
My commission expires: 6-15-16



JAYNE F. PETERSON
Notary Public
State of Hawaii

My Appointment Expires 06-15-16

NOTARY PUBLIC CERTIFICATION

Jayne F. Peterson 1st First Circuit

Doc Description: Application and Qualification Questionnaire

No. of Pages: 10 Date of Doc: Not dated

Jayne F. Peterson Notary Signature Date 1-6-14